

887010

Red Mt.
(Aug. '93)

The unexplained en echelon pattern of the Marc and AV zones is repeated by the new JW zone, named for geologist John Watkins whose 1992 re-interpretation of ore geometry led to the dramatic change in reserve potential at Red Mountain. The AV zone has more vertical range in long section than inferred from 1992 data, but there are sub-ore grade intercepts. Grade continuity is the critical remaining question (in my mind) that must be addressed by underground development and definition drilling. Drilling of geophysical targets in the parallel GY zone has been disappointing (smoke but no ore). Targets are being defined in the Cambria zone which lies southeast and on trend of the Marc zone. Drilling will begin before the end of August.

Lac expects to reduce the number of surface drills from 4 to 2 by the end of August and to complete about 4,000 meters more surface drilling this season.